

# **STATE PROPERTIES COMMITTEE MEETING**

**TUESDAY, JANUARY 29 2013**

The meeting of the State Properties Committee was called to order at 10:03 a.m. by Chairman Ronald N. Renaud. Attendance of the members was taken by roll call and the following members made their presence known: Robert K. Griffith representing the Rhode Island Department of Administration; Richard Woolley representing the Rhode Island Department of Attorney General; Michael Goldberg representing the Rhode Island Office of the General Treasurer, Ex-Officio Member. Others in attendance were Anthony Robinson from the State of Rhode Island General Assembly; Eva Bernardo, Amanda Mahon, Michael Hebert, Richard Kalunian and Paul Carcieri from the Rhode Island Department of Transportation; J. Vernon Wyman from the University of Rhode Island; Deborah White from the Rhode Island Department of Administration; Robert Cooper and Vivian Moreno from the Puerto Rican Cultural Festival of Rhode Island; and Paul Grimaldi from the Providence Journal.

Chairman Renaud stated for the record that the State Properties Committee did have a quorum present.

A motion to approve the minutes of the meeting held on January 15, 2013 was made by Mr. Griffith, subject to his requested corrections on pages 12 and 13. Said motion was seconded by Mr. Woolley.

**Passed Unanimously**

**ITEM A – Department of Administration – A request was made for approval of and signatures on a License Agreement, by and between**

the Department of Administration and the Puerto Rican Cultural Festival of Rhode Island to allow said organization to utilize the State House for the 2013 Regional Conference of Puerto Rican Day Parade Dedication to Rhode Island. Ms. White introduced Mr. Cooper and Ms. Moreno, attending on behalf of the Puerto Rican Cultural Festival of Rhode Island. Ms. White explained that said organization wishes to utilize the State House for purposes of making an announcement for the Puerto Rican Festival Parade, which is being dedicated to the State of Rhode Island this year. Mr. Cooper explained that the National Puerto Rican Day Parade held in New York attracts a spectator population which actually doubles the number of people currently residing in the State of Rhode Island. This parade includes 80,000 marchers and other participates and this coming year it is anticipated that this event will be dedicated to the State of Rhode Island. Mr. Cooper explained that in order to make this happen, the local affiliated organization has made some small concessions to its national counterpart. The first of which was to accept the honor of hosting the 2013 Conference of the Festivals & Parades here in Rhode Island. In order to impress the national organization and in light of the fact that the Conference will draw attendees from all corners of the United States of America, Mr. Cooper respectfully requested that the Committee allow the Conference to be held in the Rotunda of the State House to ensure that the organization is left with an unequaled impression of the State of Rhode Island. Mr. Cooper noted that the entire contingent is expected to attend the Conference. Mr. Cooper stated that the Honorable Governor Chafee, Speaker of

the House, Gordon Fox and other dignitaries have been invited to attend the Conference. Mr. Cooper noted that an estimated total of one hundred (100) people will attend the Conference. Chairman Renaud noted that his only concern is the accuracy of anticipated number guests attending this event. Chairman Renaud stressed the importance of ensuring that the arrangements made with the Division of Facilities and the Capitol Police are adequate to ensure the safety of the attendees and the preservation of the State House. Chairman Renaud stated that as Mr. Cooper has represented that one hundred (100) guests will attend the Conference, the Division of Facilities Management will see to it that the services of an appropriate number of Capitol Police Officers together with Facilities' staff are engaged. However, Chairman Renaud noted that as the anticipated amount of guests has vacillated over the past few weeks, he recommended that the applicant make any necessary adjustments through the Division of Facilities Management in order to accommodate a larger number of guests to ensure the applicant's compliance with the policies and procedures governing use of the State House. Mr. Woolley indicated that there seems to be some discrepancy as to whether alcoholic beverages will be sold and/or served and asked for some clarification relative to this issue. Mr. Cooper indicated that it has been determined that alcoholic beverages can not be sold or served within the Rotunda and the organization is well aware of this restriction. Mr. Griffith noted that Mr. Cooper indicated that one hundred (100) people associated with the National Puerto Rican Conference would attend said event; however, he questioned whether the number of dignitaries

and their guest, if any, would affect the current estimated attendance.

Mr. Griffith recommended that when the figures are finalized, the organization immediately contact the Division of Facilities so that the necessary number of Capitol Police Officers and staff can be increased if necessary. Mr. Cooper indicated that he completely understands Committee's concerns regarding an accurate estimate of guests and will ensure that the number of invitations sent will not exceed one hundred (100). Ms. Moreno noted that the organization is unable to provide food for more than one hundred guests; therefore, she does not anticipate that more than 100 guest will attend. A motion was made to approve by Mr. Woolley, subject to the understanding that if the attendance should exceed a total of one hundred (100) individuals, the applicant will apprise the Division of Facilities Management so that necessary adjustments can be made to provide additional staff and/or security for this event. Said motion was seconded by Mr. Griffith.

#### **Passed Unanimously**

**ITEM B – Department of Behavioral Health, Developmental Disabilities and Hospitals – A request was made for approval of a Lease Agreement, by and between the Department of Behavioral Health, Developmental Disabilities and Hospitals and The Providence Center for the premises located within the Mathias Building at the Pastore Complex in the City of Cranston. Item B was deferred to the February 12, 2013 State Properties Committee meeting at the request of the Department of Behavioral Health, Developmental Disabilities and Hospitals.**

**ITEM C– Board of Governors/University of Rhode Island – A request was made for approval of and signatures on a Lease Agreement, by and between the University of Rhode Island and the Higher Education Library Information Network (“HELIN”) Inc. for 1,412 square feet of office space located on the Second Floor of the Robert L. Carothers Library and Learning Commons on the Kingston Campus. Mr. Wyman explained that the Higher Education Library Information Network was actually established as a consortium by the public institutions of higher education of the State of Rhode Island back in 1984. Mr. Wyman stated that through said consortium, a common electric library catalog system was developed, which serves a total of eleven colleges and universities together with State hospitals and some specialized libraries such as the State Law Library. The system provides both electronic and delivery access to library materials and holdings to all of those libraries. Mr. Wyman noted that few people realize how well organized library resources are for the State because of HELIN. Mr. Wyman explained that HELIN continues the pattern of a consortium, but is now incorporated as a tax-exempt organization in good standing. Mr. Wyman indicated that HELIN is looking to develop an office suite within the University’s Library for its headquarters and a conference facility. HELIN is prepared to provide \$170,000.00 to perform the necessary renovations. Mr. Wyman noted that the suite is currently utilized as stack space; however, the University already has a plan for the facility’s relocation. The suite encompasses 1,412 square feet of space and includes a 295 square foot conference room. HELIN intends to turn said conference room**

back over to the University for its use. Mr. Wyman indicated that before the Committee today is a proposed ten (10) year Lease Agreement, with an option to renew for an additional one ten (10) year period for the use of 1,412 square feet of space less the 295 square foot portion for an actual total of 1,117 square feet of space at a rental rate of \$13.00 per square foot. HELIN plans to commence construction promptly and the work shall be completed within eighteen (18) months from the date of execution of the Lease Agreement. Mr. Wyman stated that in conversations with Mr. Woolley, he indicated that he would like the indemnification language revised as it does not reference the \$100,000.00 limitation on the part of the landlord. Mr. Wyman stated that the University is prepared to make the necessary revisions in response to Mr. Woolley's request. Mr. Griffith stated that as he has enjoyed and benefited from the use of HELIN, he enthusiastically moves to approve the University's request for approval of said Lease Agreement, subject to the revisions of the indemnification clause as requested by Mr. Woolley. Said motion was seconded by Mr. Woolley.

**Passed Unanimously**

**ITEM D– Board of Governors/University of Rhode Island – A request was made for approval of and signatures on the nine (9)-year extension of the Lease Agreement relating to space located in the Independence Square II Building for the University's Physical Therapy Program. Mr. Wyman explained that Item D and Item E are related and are part of a project that he has personally been involved with since the early 1990s, when the University leased space to the**

**Independent Square Foundation (the “Foundation”) resulting in the construction of a building on the Kingston Campus which serves as its community center. The University’s relationship with the Foundation has also resulted in the leases for the University’s Human Science and Services Programs occupies space for programs that are in the college of human science and services; specifically, the University’s graduate program for physical therapy. Mr. Wyman noted that the subject Lease Agreement has reached the end of a ten year term with an additional ten year extension. Mr. Wyman indicated that in November of 2012, the State Properties Committee approved a one year extension of the Physical Therapy’s Lease Agreement to essentially make way for this nine year extension. Said Lease Agreement is before the Committee in part due to Rhode Island General Law 37-6-2(d), which stipulates that “any lease, rental agreement or extension of an existing rental agreement for leased office and operating space which carries a term of five (5) years or longer, including any options or extensions that bring the total term to five (5) years or longer, where the state is the tenant and the aggregate rent of the terms exceeds five hundred thousand dollars (\$500,000) the state properties committee shall request approval of the general assembly prior to entering into any new agreements or signing any extensions with existing landlord.” Mr. Wyman noted that the Lease Agreement before Committee is for lease of 16,400 square feet, which has served the Physical Therapy Program for the last twenty (20) years; however, as the costs related to said Lease Agreement will exceed \$500,000.00 over the next ten (10) years, Mr.**

Wyman respectfully requested the Committee grant approval subject to the approval of the General Assembly in accordance with Rhode Island General Law 37-6-2(d). Mr. Wyman indicated that the University benefited from a \$9.81 per square foot base rental rate for the space it occupied with the Foundation's facility. The Foundation is in the business of keeping their expenses level and maintaining a fair rental rate for all its tax-exempt tenants. Mr. Wyman stated that additional rent is adjusted to actual expense each calendar year when the new rate is adopted the following year. Mr. Wyman indicated that over the years the \$9.81 base rent has accrued additional expense, which ranges from \$14, 000.00 to \$20,000.00 with the inclusion of actual expenses. The Foundation is increasing the rental rate to \$12.23 per square foot, which is consistent with the rate approved for the one-year extension of the Lease Agreement. Mr. Wyman explained that what that basically says is that the University's additional rent quotient will be lower in the long term; the University will not have to make that adjustment nearly as often. He indicated that some years the rent will not be adjusted at all and others the adjustment will be very modest. Mr. Wyman stated that even the increased rental rate is very favorable when one considers that the University operates a rather sophisticated graduate program in said space. Mr. Wyman stated that a Resolution has been prepared in conjunction with the University's request for the General Assembly's approval of the subject Lease Agreement. Mr. Wyman noted that the nine (9) year extension with the option for an additional ten (10) year extension will coincide with the end of the current Ground Lease. Mr.



Wyman reiterated that the University has had a continuum of relationships with the Foundation and at one point they proposed and obtained approval to construct an additional wing onto this building. As the federal government's contribution toward to the cost of construction was \$1.4 million dollars; they required a twenty-five (25) year forward ground lease. Mr. Wyman indicated that this item together with Item E will reflect the end point of said Ground Lease. Mr. Wyman respectfully requested the Committee's approval of the proposed Nine (9) year Lease Agreement for the subject premises and to pursue the Resolution through the General Assembly. A motion was made to approve by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM E – Board of Governors/University of Rhode Island – A request was made for approval of and signatures on the nine (9) -year extension of the Lease Agreement relating to space located in the Independence Square II Building for the University's Communicative Disorders Program. Mr. Wyman explained that this request very much parallels the circumstances of the previous item. Mr. Wyman indicated that the University's Speech and Hearing Clinic is located in space within the Independence Square II Building, which was adapted for the Clinic's needs in 2003. Mr. Wyman noted that the first 10 year term under the Lease Agreement just expired so this request combines both a one (1) year extension of the existing Lease Agreement and a proposed new Nine (9) Year Lease Agreement in accordance with Rhode Island General Law 37-6-2(d). Mr. Wyman explained that after calculating the base rent of \$11.00 per square for

4,300 square feet of space over a ten (10) year period, he determined that the total aggregate rent falls just under the limit of five hundred thousand dollars (\$500,000.00) stipulated in Rhode Island General Law 37-6-2(d ). However, as the rent may increase throughout the course of the Lease Agreement, the University believes it is prudent to obtain the approval of the General Assembly prior to the execution of said Lease Agreement. Mr. Wyman noted that a similar Resolution has been prepared in conjunction with the subject Lease Agreement. A motion to approve was made by Mr. Woolley and seconded by Mr. Griffith.

**Passed Unanimously**

**ITEM F – Department of Transportation –** A request was made for conceptual approval to disposal of excess land located at the intersection of Atwood Avenue and Cherry Hill Road in the Town of Johnston to the Town of Johnston. Ms. Bernardo clarified that she is seeking conceptual approval for the gratis conveyance of the subject property to the Town of Johnston. Ms. Bernardo stated that the subject property comprises 11,838 square feet and is triangular in shape. The applicant is the sole abutter to the property. Ms. Bernardo stated that the Town plans to utilize the subject property as a “park like” setting and for a slight expansion of the Johnston Police Department’s visitor parking lot. The Department of Transportation has imposed two restrictions concerning this conveyance. First, the Town will require prior of approval from the Department of Transportation’s Design Section for the parking lot plans and prior approval of any planned landscaping . The second restriction

stipulates that said parcel of land be utilized as a parking area and a “park like” setting for the general public. Ms. Bernardo indicated that if the Town fails to abide by said restrictions at anytime in the future, title to the property will automatically revert back to the State’s custody and control. Lastly, Ms. Bernardo noted that the property was acquired on October 14, 1935 by virtue of Condemnation Plat 614. The gratis conveyance of said property is subject to the pre-emptive rights of the former owner. Chairman Renaud asked if there are any restrictions prohibiting the Town from erecting signage, plaques, billboards or the like upon said property. Mr. Carcieri indicated that the deed will contain boiler plate language restricting signage to the Department of Transportation’s regulations and the FHWA’s regulations, which normally only allows for “on premise advertising.” Mr. Griffith questioned whether the Department would in fact exercise its right to veto any proposed plans at odds with either the Department’s or the FHWA’s regulations. Mr. Carcieri stated that the Town must submit its proposal to the Department for review and approval prior to the commencement of any modification of the property. Mr. Carcieri indicated that the Department has expressed its expectation that the Town preserve as much of the property for open space as possible. Chairman Renaud indicated that Mayor Polisena approached him approximately a year ago about the subject property and expressed that a primary issue concerning the property was that the State did not properly maintain it and the parcel, which is adjacent to the Johnston Police Department had become an eyesore. Mr. Carcieri indicated that he had no doubt that

the property was not being properly maintained by the State as the Department's Maintenance Division is truly overwhelmed by the countless parcels that need attention and the shortage of manpower available. Mr. Carcieri stated that the Department has had more and more occasions of people contacting the Department to express their interest in acquiring State-owned land and mention that they have been maintaining the State's property for years. In light of Mr. Carcieri's comments, Chairman Renaud stated that he is more comfortable with the gratis transfer of the subject property. The gratis transfer of said property will not only relieve an already overwhelmed Maintenance Department of the burden of having to care for the property, but also gives the State an opportunity to support the Town of Johnston and its police department. A motion to approve was made to by Mr. Woolley and seconded by Mr. Griffith.

**Passed Unanimously**

**ITEM G – Department of Transportation – A request was made for approval of and signatures on the Temporary Construction and Perpetual Easements Agreement by and between the Department of Transportation and the Town of Johnston for the installation of a municipal Sewer Pump Station on Central Avenue @ Interstate Route 295 in the Town of Johnston. Ms. Mahon presented two (2) maps for the Committee's review, which illustrated the exact location of the easement areas. Ms. Mahon stated that the easement area consists of approximately 4,500 square feet situated on the north bound quadrant of Interstate Route 295 and Central Avenue. The purpose is to install a sewer overflow pump station with Resource Recovery**

being a benefactor of said Agreement. Ms. Mahon noted that as the proposed area has been plagued by sewer overflow issues particularly during the winter months and periods of heavy rains, the installation of a new sewer pump station would benefit the municipality greatly. Ms. Mahon noted that the Department has received all the necessary approvals from the Department's Land Sales Committee, the Chief Purchasing Officer, the Federal Highway Administration and of course from the Town of Johnston. Ms. Mahon indicated that approval of the Agreement is subject to a physical alteration permit, which has in fact been submitted and approved. Mr. Griffith asked if this item is related to the Rhode Island Resource Recovery Corporation's ("RIRRC") extension of a sewer line that will connect to the Narragansett Bay Commission's facilities. Ms. Mahon stated that this project is related to the RIRRC sewer line extension project. Mr. Griffith asked what the Town's contribution toward the cost of this project is. Ms. Mahon stated that the Town's contribution is to secure all the required insurance policies. Ms. Mahon stated that although she does not know the exact calculations, it is her understanding that RIRRC is making the most substantial contribution toward the cost of this project. After summarizing the many benefits associated with this very worthwhile project, Mr. Griffith moved approval and said motion was seconded by Mr. Woolley.

**Passed Unanimously**

The Committee may move to go into Executive Session, pursuant to Rhode Island General Law 42-46-5(a)(5) for the specific purpose of

**discussion or consideration related to the acquisition or lease of real property for public purpose, or of the disposition of publicly held property wherein advanced public information would be detrimental to the interest of the public relating to the following item.**

**A motion to enter into Executive Session was made by Mr. Griffith and seconded by Mr. Woolley.**

**A roll call vote was taken and the votes were as follows: Mr. Griffith voted “Aye” and Mr. Woolley voted “Aye” and Chairman Renaud voted “Aye.”**

**After a detailed discussion relating to Executive Session Item E1 concluded, a motion to return to the open session of the State Properties Committee meeting and to seal the Executive Session minutes, until such time as said matters are resolved, was made by Mr. Woolley and seconded by Mr. Griffith.**

**Passed Unanimously**

**Upon returning to open session at 10:52 a.m. the Committee proceeded to**

**vote relative to Item E1 presented in Executive Session.**

**ITEM E1 – Department of Transportation – A request was made for authorization to acquire 53± acres of land by virtue of Condemnation Plat 2767 to mitigate potential adverse effects the Replacement of the Providence Viaduct will have on the Providence Covelands Archaeological District. After discussion in Executive Session, a motion was made to approve Item E1 by Mr. Woolley and seconded**

**by Mr. Griffith.**

**Passed Unanimously**

**There being no further business to come before the State Properties Committee, the meeting was adjourned at 10: 53 a.m. The motion to adjourn was made by Mr. Griffith and seconded by Mr. Woolley.**

**Passed Unanimously**

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**Holly H. Rhodes, Executive Secretary**